

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: October 6, 2005]²

Bill No. and sponsor: H. R. 2254 (Ms. Corrine Brown of Florida).

Proponent name, location: FMC Corporation
Philadelphia, PA 19103

Other bills on product (109th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2009.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Cyano(3-phenoxyphenyl)methyl 3-(2,2-dichloroethenyl)-2,2-dimethylcyclopropanecarboxylate
(Cypermethrin) (CAS No. 52315-07-8) (provided for in subheading 2926.90.30)

Check one: ☐ Same as that in bill as introduced.
 ☒ Different from that in bill as introduced (see Technical comments section).

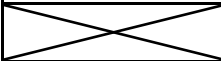
Product information, including uses/applications and source(s) of imports:

Cypermethrin, a synthetic organic chemical, is the active ingredient in an insecticide used on crops such as corn, soybeans, fruit and vegetables. The proponent imports the chemical from China and India. One competing product, lambda cyhalothrin, is produced by Syngenta, a Swiss company.

¹ Industry analyst preparing report: Elizabeth Nesbitt (202-205-3355); Tariff Affairs contact: Dave Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm

Estimated effect on customs revenue:

HTS subheading: <u>2926.90.30</u>					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports ^{1/}	\$3,200,000	\$3,200,000	\$3,200,000	\$3,200,000	\$3,200,000
Customs revenue loss	\$208,000	\$208,000	\$208,000	\$208,000	\$208,000

^{1/} The estimated imports include imports of Cypermethrin and zeta-Cypermethrin, which is covered by a proposed duty suspension in H.R. 2256. See technical comments.

Source of estimated dutiable import data: Industry estimates.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
		(Yes/No)		
FMC Corporation (Proponent) Jerry Prout 202-956-5209	07/27/2005	No	No	No
AtoFina Cerexagri Charles Kitchin Fax : 703-527-2092	07/27/2005	No	No	No
Bayer CropScience Jean Reimers Fax : 202-628-6622	07/27/2005	No	No	No
BASF Corp. Greg Theis Fax : 202-558-5101	07/27/2005	No	No	No
Crop Life America Lawrence Norton Fax : 202-463-0474	07/27/2005	No	No	No
Dow AgroSciences Margaret Rogers Fax : 202-429-3467	07/27/2005	No	No	No
E. I. DuPont Elaine Olsen Fax : 302-892-7343	07/27/2005	No	No	No
Griffin Corp. James Whatley or Stephen Glennon Fax : 800-248-5154	07/27/2005	No	No	No
Syngenta Mike Blythe Fax : 336-632-6084	07/27/2005	No	No	No

Valent USA Robin Dermouth Fax : 925-256-2776	07/27/2005	No	No	No
Monsanto Corp. Linda Strachan Fax No: 202-789-1819	07/27/2005	No	No	No

Technical comments:³

The Commission notes that HR 2254 and HR 2256 are nearly identical, in that duty suspensions are proposed for Cypermethrin in H.R. 2254 and zeta-Cypermethrin in H.R. 2256. The differences between the two products are of a stereochemical nature and not something easily administrable by U.S. Customs. In fact, the two products have the same CAS No. and are classified in the same HTS subheading. As H.R. 2254 relates to Cypermethrin with no special stereochemical configuration, this duty suspension would also cover zeta-Cypermethrin. Therefore, the Commission suggests that, if the duty suspension in H.R. 2254 is enacted, then the duty suspension in H.R. 2256 would not be needed.

The Commission suggests that the article description on page 1 of this report be used in the proposed new heading in order to correct spacing and arrangement in the chemical name.

³ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

109TH CONGRESS
1ST SESSION

H. R. 2254

To suspend temporarily the duty on Cypermethrin.

IN THE HOUSE OF REPRESENTATIVES

MAY 11, 2005

Ms. CORRINE BROWN of Florida introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on Cypermethrin.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CYPERMETHRIN.**

4 (a) IN GENERAL.—Subchapter II of chapter 99 of
5 the Harmonized Tariff Schedule of the United States is
6 amended by inserting in numerical sequence the following
7 new heading:

“	9902.05.70	(+)- α -Cyno(3-phenoxyphenyl)methyl (+)-eis,trans-3-(2,2-dichloroethenyl)-2,2-dimethylcyclopropanecarboxylate (Cypermethrin) (CAS No. 52315-07-8) (provided for in subheading 2926.90.30)	Free	No change	No change	On or before 12/31/2009	”.
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1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) applies to goods entered, or withdrawn from
3 warehouse for consumption, on or after the 15th day after
4 the date of enactment of this Act.

